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Summary

Main Features

KEY FIGURES

	Employees June 2012 '000	Cash wages and salaries 2011-12 \$m
Commonwealth Government	250.0	18 956.3
State Government	1 449.6	99 444.1
Local Government	192.5	10 495.4
Total Public Sector	1 892.1	128 895.8

KEY POINTS

- In June 2012 there were 1,892,100 public sector employees. There were 250,000 employees in Commonwealth government, 1,449,600 in state government and 192,500 in local government.
- Total cash wages and earnings for all sectors was \$128,895.8m.

REVISIONS

Revisions have been made to the June 2011 employment and the 2010-11 cash wages and salaries data. These revisions are reflected in Tables 1, 2 and 3.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070.

Tables

1. PUBLIC SECTOR EMPLOYEES, Level of government - States and territories

[illegible]

New South Wales	r56.1	r449.3	62.1	r567.5	55.1	450.1	59.9	565.2
Victoria	45.1	r330.8	53.1	r429.1	45.2	329.7	50.6	425.5
Queensland	30.6	r303.1	42.0	r375.6	31.0	302.5	40.6	374.1
South Australia	15.2	r110.0	10.9	r136.2	14.6	113.5	11.0	139.1
Western Australia	13.7	166.6	20.9	201.2	12.4	165.4	23.4	201.3
Tasmania	5.6	r40.2	4.0	r49.8	5.0	38.8	3.7	47.5
Northern Territory	4.3	23.9	2.5	30.6	5.0	24.8	3.2	33.1
Australian Capital Territory	r80.6	24.0	..	r104.6	81.7	24.8	..	106.4
Australia	r251.2	r1 447.9	195.5	r1 894.6	250.0	1 449.6	192.5	1 892.1

. . not applicable

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2. PUBLIC SECTOR CASH WAGES AND SALARIES, Level of government - States and territories

	2010-11				2011-12			
	Commonwealth	State	Local	Total	Commonwealth	State	Local	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
New South Wales	r3 821.8	r31 630.7	3 267.9	r38 720.4	3 883.2	31 523.8	3 372.1	38 779.1
Victoria	r3 158.5	r19 946.9	2 307.2	r25 412.6	3 337.3	21 011.6	2 428.1	26 776.9
Queensland	2 008.0	r21 299.0	2 617.5	r25 924.5	2 108.8	21 311.2	2 630.6	26 050.6
South Australia	1 053.1	6 805.6	615.8	8 474.5	1 085.1	7 642.5	640.0	9 367.6
Western Australia	879.7	r11 630.3	1 017.1	r13 527.1	834.6	11 509.8	1 103.0	13 447.4
Tasmania	352.7	r2 889.8	178.6	r3 421.0	322.8	2 874.6	181.5	3 378.9
Northern Territory	r303.4	r1 750.7	108.4	r2 162.5	320.7	1 832.7	140.1	2 293.5
Australian Capital Territory	r6 666.4	1 619.0	..	r8 285.4	7 063.9	1 737.8	..	8 801.7
Australia	r18 243.5	r97 572.0	r10 112.5	r125 928.0	18 956.3	99 444.1	10 495.4	128 895.8

. . not applicable

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3. PUBLIC SECTOR EMPLOYEES AND CASH WAGES AND SALARIES, Industry

	Employees		Cash wages and salaries	
	June 2011	June 2012	2010-11	2011-12
	'000	'000	\$m	\$m
Electricity, gas, water and waste services	63.7	64.4	5 805.6	6 082.7
Construction	10.3	7.9	996.9	627.9
Transport, postal and warehousing	r103.8	102.3	r7 431.7	7 520.7
Information media and telecommunications	r11.4	13.0	r842.9	981.1
Financial and insurance services	12.7	13.9	r1 108.3	1 279.6
Rental, hiring and real estate services	9.7	5.8	656.4	412.2
Professional, scientific and technical services	32.1	28.2	r2 334.1	2 336.1
Public administration and safety	r598.6	603.9	r41 109.4	42 730.9
Education and training	r590.1	586.6	r33 569.1	35 108.8
Health care and social assistance	431.4	432.4	r30 351.0	29 897.7
Arts and recreation services	r16.2	16.3	r818.7	810.0
Other industries(a)	14.7	17.3	903.8	1 108.0
All industries	r1 894.6	1 892.1	r125 928.0	128 895.8

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(a) Includes Agriculture, forestry and fishing, Mining, Manufacturing, Wholesale trade, Retail trade, Accommodation and food services, Administrative and support services and Other services.

About this Release

Contains estimates of number of public sector employees and cash wages and salaries by level of government by state. Also contains estimates of number of public sector employees and cash wages and salaries by industry for Australia.

Explanatory Notes

Explanatory Notes

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains estimates of public sector employees and cash wages and salaries obtained from the annual Survey of Employment and Earnings (SEE).

CONCEPTS, SOURCES AND METHODS

2 The conceptual framework used in SEE aligns closely with the standards and guidelines set out in Resolutions of the International Conference of Labour Statisticians. Descriptions of the underlying concepts and structure of Australia's employment and earnings statistics, and the sources and methods used in compiling these estimates, are presented in **Labour Statistics: Concepts, Sources and Methods** (cat. no. 6102.0.55.001).

3 Estimates of employee earnings presented in this publication are based on the Australian conceptual framework for measures of employee remuneration. Refer to paragraphs 22 and 23 for further details.

CLASSIFICATIONS

4 The businesses that contribute to the statistics in this publication are classified:

- by institutional sector, in accordance with the Standard Institutional Sector Classification of Australia (SISCA), which is detailed in **Standard Economic Classifications of Australia (SESCA)** (cat. no. 1218.0);
- by industry, in accordance with the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 edition** (cat. no. 1292.0);
- by state and territory;
- by level of government.

REFERENCE PERIOD

5 Although earnings estimates relate to the full twelve months, employment estimates relate to the last pay period ending in June of the given year. As a result, estimates of wages and salaries per person employed may be affected by any fluctuations in employment during the reference period.

6 Financial data incorporate all units in scope of the SEE that were in operation at any time during the year.

SCOPE

7 Type of Legal Organisation (TOLO) codes 21-36 are used to identify all public sector employing organisations. TOLOs 21-26 relate to Commonwealth government units, TOLOs 31-33 and 36 relate to

State government units and TOLOs 34 and 35 relate to Local government units. These organisations and their employees are represented in the survey, except:

- ANZSIC class 6330 **Superannuation funds**;
- ANZSIC class 7552 **Foreign government representation**;
- ANZSIC 9559 **Other interest group services n.e.c.** with SISCA 5000 **Non profit institution serving households**; and
- ANZSIC subdivision 96 **Private households employing staff and undifferentiated goods-and-service-producing activities of households for own use**;

8 In general, the following organisations and their employees are excluded:

- members of the Australian permanent defence forces;
- employees of overseas embassies, consulates, etc.;
- employees based outside Australia;
- employees on workers' compensation who are not paid through the payroll;
- directors and office holders of public sector organisations who are not paid a salary.

COVERAGE

9 This section discusses frame, statistical units, coverage issues and improvements to coverage.

Frame

10 Businesses contributing to the estimates in this publication are sourced from the ABS Business Register (ABSBR), which has two components as described below.

Statistical units

11 The ABS uses an economic statistics units model on the ABSBR to describe the characteristics of businesses, and the structural relationships between related businesses. Within large and diverse business groups, the units model is used to define reporting units that can provide data to the ABS at suitable levels of detail.

12 In mid 2002, the ABS commenced sourcing its register information from the Australian Business Register and at that time changed its business register to a two population model. The two populations comprise what is called the Profiled population and the Non-profiled population. The main distinction between businesses in the two populations relates to the complexity of the business structure and the degree of intervention required to reflect the business structure for statistical purposes.

Non-profiled population

13 The majority of businesses included on the ABS Business Register are in the Non-profiled population. Most of these businesses are understood to have simple structures. For these businesses, the ABS is able to use the Australian Business Number (ABN) as the basis for a statistical unit. One ABN equates to one statistical unit.

Profiled population

14 For the population of businesses where the ABN unit is not suitable for ABS statistical requirements, the ABS maintains its own units structure through direct contact with the business. These businesses constitute the Profiled population. This population consists typically of large, complex and diverse businesses. The statistical units model described below caters for such businesses.

- **Enterprise group:** This is a unit covering all the operations in Australia of one or more legal

entities under common ownership and/or control. It covers all the operations in Australia of legal entities which are related in terms of the current Corporations Law (as amended by the **Corporations Legislation Amendment Act 1991**), including legal entities such as companies, trusts and partnerships. Majority ownership is not required for control to be exercised.

- **Enterprise:** The enterprise is an institutional unit comprising:
 - a single legal entity or business entity, or
 - more than one legal entity or business entity within the same enterprise group and in the same institutional subsector (i.e. they are all classified to a single SISCA subsector).
- **Type of activity unit (TAU):** The TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an enterprise group that can report production and employment data for similar economic activities. When a minimum set of data items is available, a TAU is created which covers all the operations within an industry subdivision (and the TAU is classified to the relevant subdivision of the ANZSIC). Where a business cannot supply adequate data for each industry, a TAU is formed which contains activity in more than one industry subdivision.

SURVEY METHODOLOGY AND DESIGN

15 The SEE uses a sample survey methodology and collects information using a mail-out/mail-back collection methodology. Some government departments provide their information to the ABS electronically.

16 The statistical unit for the survey comprises all activities of a public sector employing unit in a particular state or territory. Statistical units are stratified by state, industry and employment size, and within each stratum, statistical units are selected with equal probability.

17 A sample of public sector employing units is selected from the ABN and TAU units on the ABS Business Register to ensure adequate state and industry representation. Commencing with the 2008-09 survey, a sample redesign was implemented based on the 2006 edition of ANZSIC. The sample for the 2007-08 survey was designed on both the 2006 and 1993 editions of ANZSIC.

18 Commencing with the 2008-09 survey, the ABS also implemented a number of improvements to the ABS Business Register. Employment benchmarks for non-profiled population units (refer paragraph 14) have been updated to reflect more up-to-date information for use in stratification and estimation.

19 Due to the sample redesign, the sample size has decreased from about 2,500 employer units for the 2007-08 survey to about 2,000 units for 2008-09 onwards. The reduced sample size has resulted in increased standard errors for the 2008-09 estimates, compared with the 2007-08 estimates.

INPUT INTO THE AUSTRALIAN NATIONAL ACCOUNTS

20 Estimates of employee remuneration for the public sector are one of the inputs to the gross domestic product component of the Australian National Accounts, specifically compensation of employees estimates. The private sector component of compensation of employees estimates are provided by the Quarterly Business Indicators Survey which are published in **Business Indicators, Australia** (cat. no. 5676.0). For further details see **Australian National Accounts: Concepts, Sources and Methods** (cat. no. 5216.0).

COMPARABILITY OF SERIES

21 The SEE was not conducted in respect of 2010-11. The 2010-11 estimates of public sector employment and cash wages and salaries were produced from the Major Labour Costs Survey.

22 As noted in paragraph 3, estimates of employee earnings from the annual survey have been produced in accordance with the Australian conceptual framework for measures of employee remuneration.

23 The measure of employee earnings presented for the annual series is 'cash wages and salaries', which is regular and irregular wages and salaries in cash, including amounts salary sacrificed.

24 Care should also be taken when comparing data for the public sector over time. Estimates of public sector employment and earnings can change over time due to: privatisation of public financial and public trading enterprises; changes to machinery of government, especially resulting from a change of government; and other changes to statistical unit structures, including industry classification, resulting from periodic updating of the Profiled population (refer paragraph 15).

REVISIONS

25 Estimates for the 2010-11 reference year have been revised since the previous issue of this publication due to correcting errors to previously published data and more recent data becoming available. The revisions are incorporated in this publication.

ROUNDING

26 Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

FURTHER INFORMATION

27 A range of further information is available, as described below.

Related publications

28 The following publications contain related information:

- **Australian Labour Market Statistics** (cat. no. 6105.0);
- **Average Weekly Earnings, Australia** (cat. no. 6302.0) - issued biannually;
- **Employee Earnings and Hours, Australia** (cat. no. 6306.0) - issued biennially;
- **Information Paper: Changes to ABS Measures of Employee Remuneration** (cat. no. 6313.0) - issued 14 November 2006;
- **Labour Force, Australia** (cat. no. 6202.0) - issued monthly;
- **Wage Price Index, Australia** (cat. no. 6345.0) - issued quarterly;
- **Labour Statistics: Concepts, Sources and Methods** (cat. no. 6102.0.55.001);
- **Labour Costs, Australia, 2010-11** (cat. no. 6348.0) released 07 May 2012.

Other information available

29 As well as the statistics included in this and related publications, the ABS may have other relevant data available on request and for a charge. Inquiries should be made to the National Information and Referral Service on 1300 135 070.

Glossary

GLOSSARY

Cash wages and salaries

Remuneration for time worked or work done and for time not worked, such as recreation and other

types of paid leave. Comprises regular and irregular payments, including salary sacrificed amounts. Wages and salaries in cash are gross amounts, that is, before tax and other items (e.g. superannuation) are deducted.

Commonwealth government

All departments, agencies and authorities created by, or reporting to, the Commonwealth Parliament. Those bodies run jointly by the Commonwealth government and State governments are classified to Commonwealth.

Employees

Wage and salary earners who received pay for any part of the last pay period ending on or before 30 June, including part-time and casual employees, employees on paid leave, and employees on workers' compensation who continue to be paid through the payroll.

Industry

Industry is classified according to the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006**.

Local government

Municipalities, shires and other local authorities created by or subject to the provisions of local government legislation, such as county councils in New South Wales.

State government

State government departments and authorities created by, or reporting to, state parliaments, including organisations for which the Commonwealth has assumed financial responsibility.

Abbreviations

ABBREVIATIONS

'000	thousand
\$m	million dollars
ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ABSBR	Australian Bureau of Statistics Business Register
ANZSIC	Australian and New Zealand Standard Industrial Classification
ATO	Australian Taxation Office
SEE	Survey of Employment and Earnings
SISCA	Standard Institutional Sector Classification of Australia
TAU	type of activity unit
TOLO	Type of Legal Organisation

Quality Declaration - Summary

QUALITY DECLARATION - SUMMARY

INSTITUTIONAL ENVIRONMENT

For information on the institutional environment of the Australian Bureau of Statistics (ABS), including the legislative obligations of the ABS, financing and governance arrangements, and mechanisms for scrutiny of ABS operations, please see ABS Institutional Environment.

RELEVANCE

Statistics on public sector employees and cash wages and salaries presented in this publication are obtained from the annual Survey of Employment and Earnings (SEE). The SEE is an Australia-wide survey covering a sample of federal, state and local government agencies. Estimates of employee earnings for the public sector are a key input to the gross domestic product component of the Australian National Accounts, specifically compensation of employees estimates. Data are also used by federal and state departments and other analysts to monitor employment and earnings trends in the public sector and to assist in developing and reviewing earnings and labour market policies.

Estimates are available by state/territory, level of government and industry.

TIMELINESS

The reference period for the SEE is the year ending 30 June. Employment is reported from providers' payroll records, for the last pay period ending on or before 30 June. Employees remuneration data are reported on a cash basis from payroll records for payments made during the financial year.

Survey estimates are released approximately five months after the reference period.

ACCURACY

The ABS aims to produce high quality data from its collections while minimising the reporting burden on businesses. To achieve this, extensive effort is put into survey and questionnaire design, collection procedures and processing.

Two types of error can occur in estimates that are based on a sample survey: sampling error and non-sampling error.

Sampling error occurs when a sample, rather than the entire population, is surveyed. It reflects the difference between estimates based on a sample and those that would have been obtained had a census been conducted. One measure of this difference is the standard error. There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained if all businesses had been included in the survey, and about nineteen chances in twenty that the difference will be less than two standard errors.

Non-sampling error arises from inaccuracies in collecting, recording and processing the data. Every effort was made to minimise reporting error, by the careful design of questionnaires, intensive training of survey analysts, and efficient data processing procedures.

Non-sampling error also occurs when information cannot be obtained from all businesses selected in the survey. For the 2011-12 Survey of Employment and earnings, there was a 98.6% response rate from all businesses that were surveyed and found to be operating during the reference period. Data were imputed for the remaining 1.4% of operating businesses. This imputation contributed 0.5% to the estimate for employment and 0.6% for cash wages and salaries at the Australia level.

COHERENCE

The annual SEE series, based on information obtained from a sample survey of public sector employers on the ABS Business Register, was introduced for the 2007-08 financial year. Prior to 2007-08 the survey was undertaken on a quarterly basis. Data for the private sector were collected in the quarterly SEE up to March quarter 2002.

The conceptual basis of employee earnings statistics, produced from the annual SEE and presented in this publication, is based on the Australian conceptual framework for measures of employee remuneration, as described in **Information Paper: Changes to ABS Measures of Employee Remuneration, 2006** (cat. no. 6313.0).

The measure of employee earnings presented for the annual series is 'cash wages and salaries', which is regular and irregular wages and salaries in cash, including amounts salary sacrificed.

The SEE uses Australian standard classifications to facilitate data comparability across statistical series. Industry data for 2007-08 onwards are classified according to the **Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006** edition (cat. no. 1292.0).

The ABS also implemented improvements to the ABS Business Register commencing with the 2008-09 SEE which has enabled the sample size to be decreased. This has, however, resulted in increased standard errors.

Estimates of public sector employment and earnings can be affected by the following factors over time:

- privatisation of public financial and public trading enterprises
- changes to machinery of government
- other changes to statistical unit structures

Care should therefore be taken when comparing data for the public sector over time.

In addition to the SEE, the ABS conducts a number of other sample surveys of businesses which collect information about employee earnings. These include the Average Weekly Earnings survey, Survey of Employee Earnings and Hours, Wage Price Index Survey and Major Labour Costs Survey. It is important to note that these surveys have different purposes and that there are differences in the concepts, scope, sample selection and estimation methodologies used.

INTERPRETABILITY

Employment and Earnings, Public Sector, Australia (cat. no. 6248.0.55.002) contains Explanatory Notes, a Glossary and a Technical Note which provide further information about data sources, terminology and other technical aspects of the series.

ACCESSIBILITY

Employment and Earnings, Public Sector, Australia (cat. no. 6248.0.55.002) is available from the ABS website free of charge.

If the information you require is not available as a standard product or service, then ABS Consultancy Services may be able to help you with customised services to suit your needs. Inquiries should be made to the National Information and Referral Service on 1300 135 070.

Sampling Error (Technical Note)

TECHNICAL NOTE - SAMPLING ERROR

RELIABILITY OF ESTIMATES

1 As the estimates from the Survey of Employment and Earnings are based on information collected from a sample of public sector employers rather than a full enumeration, they are subject to sampling variability. That is, they may differ from the estimates that would have been produced if the information

had been obtained from all public sector employers. This difference, called sampling error, should not be confused with inaccuracy that may occur because of imperfections in reporting by respondents or in processing by the ABS. Such inaccuracy is referred to as non-sampling error and may occur in any enumeration whether it be a full count or a sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

2 The sampling error associated with any estimate can be estimated from the sample results. One measure of sampling error is given by the standard error which indicates the degree to which an estimate may vary from the value that would have been obtained from a full enumeration (the 'true value'). There are about two chances in three that a sample estimate differs from the true value by less than one standard error, and about nineteen chances in twenty that the difference will be less than two standard errors.

3 An example of the use of standard error on levels estimates is as follows. If the estimated number of employees was 1,400,000 with a standard error of 3,000, then there would be about two chances in three that a full enumeration would have given a figure in the range 1,397,000 to 1,403,000 and about nineteen chances in twenty that it would be in the range 1,394,000 to 1,406,000.

4 Another measure of the sampling error (for level estimates only) is the relative standard error, which is obtained by expressing the standard error as a percentage of the estimate to which it refers. Estimates with relative standard errors greater than 25% are not considered sufficiently reliable for most purposes and should be used with caution.

5 The following table shows the standard errors for published estimates for states and territories and level of government for 2011-12. Standard errors for other estimates are available on request.

STANDARD ERRORS, Public sector employees and cash wages and salaries

	Employees June 2012				Cash wages and salaries 2011-12			
	Commonwealth	State	Local	Total	Commonwealth	State	Local	Total
	'000	'000	'000	'000	\$m	\$m	\$m	\$m
New South Wales	1.6	2.1	2.6	2.1	139.6	154.9	149.7	138.6
Victoria	1.3	2.4	1.8	1.5	103.2	134.5	87.4	113.8
Queensland	2.0	2.3	1.6	1.1	127.2	176.5	92.7	88.7
South Australia	0.6	1.2	1.4	0.5	45.7	100.4	83.5	38.5
Western Australia	0.9	1.7	2.1	0.8	64.8	133.7	104.1	67.3
Tasmania	0.4	0.8	0.8	0.4	24.1	72.4	38.6	42.9
Northern Territory	0.1	0.3	-	0.3	11.3	8.3	-	12.1
Australian Capital Territory	0.7	0.5	..	0.4	65.0	47.6	..	39.1
Australia	3.1	4.4	4.6	2.8	242.1	325.3	259.8	216.3

.. not applicable

- nil or rounded to zero (including null cells)